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TORRANCE CITY COUNCIL – FEBRUARY 28, 2012

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At 9:53 p.m., the Council adjourned to Tuesday, March 6, 2012 at 6:00 p.m. for an executive session, with the regular meeting commencing at 7:00 p.m. in the Council Chamber. The City Council Transportation Committee will meet at 4:30 p.m. in the West Annex Commission Room for the presentation of the Final Master Plan Report and Design Alternatives for the Torrance Transit Park & Ride Regional Terminal Project.	

February 28, 2012

**MINUTES OF AN ADJOURNED REGULAR
MEETING OF THE TORRANCE CITY COUNCIL**

1. CALL TO ORDER

The Torrance City Council convened in an adjourned regular session at 5:01 p.m. on Tuesday, February 28, 2012 in the City Council Chamber at Torrance City Hall.

ROLL CALL

Present: Councilmembers Barnett, Brewer, Furey, Numark, Rhilinger, Sutherland, and Mayor Scotto.

Absent: None.

Also Present: City Manager Jackson, City Attorney Fellows, City Clerk Herbers, and other staff representatives.

A presentation was given regarding the development of Del Amo Fashion Center by Tom Schneider, Simon Property Group Executive Vice President of Development.

At 5:57 p.m. City Council recessed to a joint meeting with the Torrance Cultural Arts Commission at 6:15 p.m. in the West Annex Commission meeting room. Topics of discussion included Wilson Park Amphitheatre Phase 1 Proposed Improvements.

At 6:50 p.m., the City Council recessed to conduct regular business in the Council Chamber at 7:00 p.m.

2. FLAG SALUTE/INVOCATION

The flag salute was led by Carson Boy Scout Troop #370.

The non-sectarian invocation was given by Councilmember Rhilinger.

**3. REPORT OF CITY CLERK ON POSTING OF THE AGENDA / MOTION TO
WAIVE FURTHER READING**

City Clerk Herbers reported that the agenda was posted on the Public Notice Board at 3031 Torrance Boulevard on Friday, February 23, 2012.

MOTION: Councilmember Barnett moved that after the City Clerk has read aloud the number and title to any resolution or ordinance on the meeting agenda, the further reading thereof shall be waived, reserving and guaranteeing to each Councilmember the right to demand the reading of any such resolution or ordinance in regular order. The motion was seconded by Councilmember Rhilinger and passed by unanimous vote.

4. WITHDRAWN, DEFERRED OR SUPPLEMENTAL ITEMS

None.

5. COUNCIL COMMITTEE MEETINGS AND ANNOUNCEMENTS

Mayor Scotto reported that recent legislation dissolved Redevelopment Agencies effective February 1, 2012; that the legislation established successor agencies to carry out essential business and the City of Torrance serves as the successor agency for the Torrance Redevelopment Agency; and that the legislation also established oversight boards to oversee the activities of successor agencies consisting of seven members, with two to the members to be appointed by the mayor. He announced that he was appointing

Community Development Director Jeff Gibson and Assistant Finance Director Ken Flewellyn to serve on the Oversight Board, noting that the remaining five board members will be selected by the County Board of Supervisors, the County Superintendent of Education; the Chancellor of California Community Colleges, and the Sanitation District.

Councilmember Rhilinger announced that the City Council Transportation Committee will meet on Tuesday, March 6, at 4:30 p.m. in the West Annex Commission meeting room to discuss the final master plan report and design alternatives for the Torrance Transit Park and Ride Regional Terminal Project.

Councilmember Rhilinger announced that Torrance residents are now eligible to participate in the League of California Cities prescription drug discount program, which offers an average of 23% off the regular retail price of prescription drugs. She reported that discount cards are available to residents regardless of age, income or existing health insurance and can be used at participating pharmacies anytime a prescription is not covered by insurance. She noted that the discount cards can be obtained online at www.torranceca.gov/prescriptiondiscount or by calling 888.620.1749 and they are also available in all Torrance libraries, the City Clerk's office, the Bartlett Senior Center and other locations throughout the City. She thanked Commissioner Bea Virobik for bringing the program to the City's attention.

City Clerk Herbers announced that Commissioner Certification Training classes have been scheduled for May 9, and October 30, 2012, and that the reservation link is not yet active but individuals may call the City Clerk's office to leave contact information and written notice will be given when the link is live.

City Clerk Herbers announced that the nomination period for the City Council election on June 5, 2012 closes on Friday, March 9, at 5:00 p.m. and anyone needing further information may contact the City Clerk at 310.618.2870.

Mayor Scotto asked that the meeting be adjourned in memory of longtime Torrance resident and former Torrance Area Chamber of Commerce president Cherryl Little who passed away on February 22.

Mayor Scotto asked that the meeting also be adjourned in memory of library employee Sandy Raysik who passed away on February 17.

6. COMMUNITY MATTERS

6A. PROCLAMATION RE "TORRANCE FARMERS' MARKET DAY"

Mayor Scotto presented a proclamation declaring Saturday, March 3, as **Torrance Farmers' Market Day** in the City of Torrance to Mary Lou Weiss, Farmers' Market Manager.

Agenda Items 6B and 6C were considered together.

6B. TORRANCE CENTENNIAL COMMITTEE QUARTERLY REPORT

Recommendation

Recommendation of Torrance Centennial Committee that City Council accept and file Centennial Committee Quarterly Report covering the period of October 2011 through December 2011.

6C. APPROVAL OF ADDITIONAL CENTENNIAL EVENTS

Recommendation

Recommendation of the Torrance Centennial Committee that City Council approve the list of additional Centennial events.

Torrance Centennial Committee Chair Laurie Love and Vice Chair Dee Hardison presented a summary of the Committee's Quarterly Report for October through December 2011. They highlighted the successful kick-off event "Lights, Camera, Action"; briefly reviewed upcoming events, including the city-wide beautification program; and noted that the deadline for purchasing commemorative bricks to be installed in the Centennial Plaza is May 1, 2012.

MOTION: Councilmember Barnett moved to accept and file the Centennial Committee Quarterly Report and to approve the list of additional Centennial events. The motion was seconded by Councilmember Rhilinger and passed by unanimous vote.

6D. COMMISSION APPOINTMENTS

Recommendation

Recommendation of the City Clerk that City Council review applications and appoint members to fill vacancies on Cable TV Advisory Board, Civil Service Commission, and Traffic Commission. The City Clerk will administer the oath of office to commissioners present.

The City Council appointed the following members to the Civil Service Commission: Keith Montoya – term expiring 2016, and Marla Shwartz – term expiring 2014.

The City Council requested that City Clerk Herbers re-advertise the remaining vacancies on the Cable TV Advisory Board and the Traffic Commission after the May 9 Commissioner Certification training class.

City Clerk Herbers administered the oath of office to the newly appointed commissioners.

The City Council took a brief recess from 7:53 p.m. to 8:00 p.m.

City Clerk Herbers announced that the remaining vacancies on the Cable TV Advisory Board and the Traffic Commission will be re-advertised after the May 9 Commissioner Certification training class along with upcoming vacancies on the Cultural Arts Commission and the Environmental Quality and Energy Conservation Commission.

7. ORAL COMMUNICATIONS #1

7A. Debbie Hays, Torrance Centennial Committee, announced that the Committee will be coordinating a city-wide beautification program during the month of April and encouraged schools, homeowners groups and civic organizations to participate.

8. CONSENT CALENDAR

8A. AGREEMENT AMENDMENTS RE LABORATORY ANALYSIS AND TESTING OF WATER SAMPLES

Recommendation

Recommendation of the Public Works Director that City Council approve amendments to agreements with Test America Laboratories, Inc. for laboratory analysis and testing of water samples for the Goldsworthy Desalination Facility owned by the Water Replenishment District of Southern California (C2010-011) and at City-owned water facilities (C2010-012), extending the terms to February 28, 2013.

8B. PURCHASE ORDER AMENDMENT FOR BUS SECURITY CAMERA EQUIPMENT AND SOFTWARE

Recommendation

Recommendation of the Transit Director that City Council authorize a purchase order amendment in an amount not to exceed \$164,000 to UTC Fire & Security for security camera equipment and software for the Torrance Transit System buses.

8C. ANNUAL MAINTENANCE AGREEMENT FOR PERMIT PLAN/ BUSINESS LICENSE/ INTERACTIVE VOICE RESPONSE SYSTEM

Recommendation

Recommendation of the Information Technology Director that City Council approve a renewal of the annual software maintenance agreement with Accela, Inc. (C90-134) for the support and maintenance of the Tidemark Advantage Permit Plan/Business License/ Interactive Voice Response system in the amount of \$80,137.51.

8D. PURCHASE OF 2013 CNG-FUELED SIDE-LOADER REFUSE TRUCK

Recommendation

Recommendation of the General Services Director and Public Works Director that City Council:

- 1) Authorize the sole-source purchase of one (1) 2013 CNG-fueled Peterbilt/Heil 7000 Automated Side-Loader Refuse Truck from Rush Peterbilt Truck Center of Pico Rivera, CA in the amount of \$338,679.30 (including sales tax and tire fees); and
- 2) Appropriate and transfer \$338,679.30 from the Sanitation Enterprise Fund balance to the Fleet Services Vehicle and Equipment Revolving Replacement Fund.

8E. PURCHASE ORDER RE COMPUTER SERVER/MAINTENANCE AGREEMENT

Recommendation

Recommendation of the Police Chief, Fire Chief, and Information Technology Director that City Council authorize a purchase order to Source Direct of Addison, TX, not to exceed \$92,624.29 for the purchase of IBM AIX Power 7 computer server and a 36-month maintenance agreement to support Spillman version 6.1.

8F. YEARLY MAINTENANCE OF PUBLIC SAFETY INFORMATION SYSTEM

Recommendation

Recommendation of the Police Chief, Fire Chief, and Information Technology Director that City Council authorize payment of \$109,475 to Spillman Technologies, Inc., for yearly maintenance of the Public Safety Information System, for the period from February 1, 2012 through January 31, 2013.

8G. REJECTION OF BIDS/PURCHASE ORDER EXTENSIONS RE GASOLINE AND DIESEL FUEL

Considered separately, see page 5.

8H. SUBSIDY OF RENTAL FEES FOR USE OF CITY FACILITIES FOR SOUTHERN CALIFORNIA ORCHESTRA AND BAND ASSOCIATION MUSIC FESTIVAL

Recommendation

Recommendation of City Manager that City Council approve the subsidy of rental fees for use of city facilities for the Southern California Orchestra and Band Association Music Festival scheduled for Tuesday, March 20, 2012.

8I. SUBSIDY OF FEES FOR USE OF WILSON PARK SOFTBALL FIELDS FOR TORRANCE NATIONAL TOURNAMENT

Recommendation

Recommendation of the Community Services Director that City Council subsidize fees in the amount not to exceed \$2,000 for use of the softball fields at Charles H. Wilson Park for the Torrance National Tournament (TNT) hosted by Torrance High School March 22 through March 24, 2012.

8J. SUBSIDY OF FEES FOR USE OF PORTABLE STAGE FOR AMERICAN CANCER SOCIETY RELAY FOR LIFE EVENT

Recommendation

Recommendation of the Community Services Director that City Council subsidize fees in the amount of \$679.05 for use of the portable stage by the American Cancer Society for the Relay for Life event to be held at South High School on April 28, 2012.

MOTION: Councilmember Furey moved for the approval of Consent Calendar Items 8A through 8J, with the exception of 8G. The motion was seconded by Councilmember Numark and passed by unanimous vote.

Consent Calendar Item 8G was considered separately at this time.

8G. REJECTION OF BIDS/PURCHASE ORDER EXTENSIONS RE GASOLINE AND DIESEL FUEL

Recommendation

Recommendation of the General Services Director, Transit Director, and Fire Chief that City Council:

- 1) Authorize purchase order extensions with Petro Diamond of Irvine CA (PO# 2009-612, PO#2009-617, and PO#2009-627) for the purchase of California Air Resources Board (CARB) 87 octane unleaded gasoline and ultra low sulfur diesel fuel for an additional two year term through February 28, 2014 in an amount not to exceed \$3,000,000 annually; and
- 2) Reject all bids received in response to Bid B2011-46 to furnish gasoline and diesel fuel.

In response to Councilmember Brewer's inquiry, General Services Director Ballew reported that staff determined that it would be more cost effective to extend the existing contract with Petro Diamond and was therefore recommending that all bids be rejected.

Charles Deemer, Torrance, requested clarification regarding the City's ability to store diesel fuel, which was provided by staff.

MOTION: Councilmember Brewer moved to concur with the staff recommendation. The motion was seconded by Councilmember Furey and passed by unanimous roll call vote.

10. PLANNING AND ECONOMIC DEVELOPMENT

10A. CUP09-00013, DVP09-00001, MOD09-00003 (CUP65-38), EAS09-00003: DEL AMO 5, LLC – CARSON STREET/ DEL AMO CIRCLE DRIVE

Recommendation

Recommendation of the Community Development Director that City Council adopt Resolutions reflecting City Council decision at the January 10, 2012 meeting to deny without prejudice a Mitigated Negative Declaration, Conditional Use Permit, Development Permit, and Modification of a previously approved Conditional Use

Permit (CUP65-38) to allow a senior housing development on property located in the H-DA1 Zone at the northeast corner of Carson Street and Del Amo Circle Drive, west of Hawthorne Boulevard.

Community Development Director Gibson reported that the Resolutions reflect the Council's decision at the January 10, 2012 Council meeting to deny without prejudice the proposed senior housing development at Carson Street and Del Amo Circle Drive.

RESOLUTION NO. 2012-18

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE DENYING WITHOUT PREJUDICE A CONDITIONAL USE PERMIT AS PROVIDED FOR IN DIVISION 9, CHAPTER 5, ARTICLE 3 OF THE TORRANCE MUNICIPAL CODE TO ALLOW THE CONSTRUCTION AND OPERATION OF A NEW SENIOR HOUSING DEVELOPMENT ON PROPERTY LOCATED IN THE HBCSP-DA1 ZONE AT THE NORTHEAST CORNER OF CARSON STREET AND DEL AMO CIRCLE DRIVE, WEST OF HAWTHORNE BOULEVARD. **CUP09-00013: DEL AMO 5, LLC**

MOTION: Councilmember Rhilinger moved to adopt Resolution No. 2012-18. The motion was seconded by Councilmember Sutherland and passed by a 6-1 vote, with Councilmember Brewer dissenting.

RESOLUTION NO. 2012-19

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE DENYING WITHOUT PREJUDICE A DEVELOPMENT PERMIT AS PROVIDED FOR IN DIVISION 9, CHAPTER 1, ARTICLE 45 OF THE TORRANCE MUNICIPAL CODE TO ALLOW THE CONSTRUCTION AND OPERATION OF A NEW SENIOR HOUSING DEVELOPMENT ON PROPERTY LOCATED IN THE HBCSP-DA1 ZONE AT THE NORTHEAST CORNER OF CARSON STREET AND DEL AMO CIRCLE DRIVE, WEST OF HAWTHORNE BOULEVARD. **DVP09-00001: DEL AMO 5, LLC**

MOTION: Councilmember Rhilinger moved to adopt Resolution No. 2012-19. The motion was seconded by Councilmember Sutherland and passed by a 6-1 vote, with Councilmember Brewer dissenting.

RESOLUTION NO. 2012-20

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE DENYING WITHOUT PREJUDICE A MODIFICATION OF A PREVIOUSLY APPROVED CONDITIONAL USE PERMIT AS PROVIDED FOR IN DIVISION 9, CHAPTER 5, ARTICLE 1 OF THE TORRANCE MUNICIPAL CODE TO ALLOW THE CONSTRUCTION AND OPERATION OF A NEW SENIOR HOUSING DEVELOPMENT ON PROPERTY LOCATED IN THE HBCSP-DA1 ZONE AT THE NORTHEAST CORNER OF CARSON STREET AND DEL AMO CIRCLE, WEST OF HAWTHORNE BOULEVARD. **MOD09-00003: DEL AMO 5, LLC**

MOTION: Councilmember Rhilinger moved to adopt Resolution No. 2012-20. The motion was seconded by Councilmember Sutherland and passed by a 6-1 vote, with Councilmember Brewer dissenting.

12. ADMINISTRATIVE MATTERS

12A. **MUNICIPAL AREA EXPRESS PROGRAM**

Recommendation

Recommendation of the **City Council Transportation Committee** that City Council concur with the City of Torrance withdrawing from the Municipal Area Express (MAX) service effective July 1, 2013 and encourage the MAX Policy Steering Committee to approve the use of reserves to fund the 2012-2013 operating budget, otherwise, the City of Torrance will withdraw effective July 1, 2012.

Recommendation of **Transit Director** that City Council concur with City of Torrance withdrawing from the Municipal Area Express effective June 30, 2012 in order to preserve the City of Torrance's rights and direct the Transit Director to give notice of the termination to the Policy Steering Committee.

The **Transit Director** further recommends that if the Policy Steering Committee decides to fund the operating budget Municipal Area Express with reserves for the period of July 1, 2012 through June 30, 2013 with no contributions from any member agencies or the lead agency, the City of Torrance do the following:

- 1) Withdraw its notice of termination effective June 30, 2012,
- 2) Participate in the Municipal Area Express for one final year from July 1, 2012 to June 30, 2013, and
- 3) Give notice to the Policy Steering Committee that the City of Torrance will terminate its participation effective June 30, 2013.

Councilmember Rhilinger, chair of the City Council Transportation Committee, clarified that the Committee's recommendation and the Transit Director's recommendation are essentially the same and the only difference is that the Transit Director is recommending that the City give notice of termination to preserve its right to withdraw from the Municipal Area Express (MAX) program effective June 30, 2012 if reserves are not used to fund the program for the final year from July 1, 2012 to June 30, 2013.

Transit Administration Manager Mills reported that staff was recommending that the City phase out its participation in the Municipal Area Express due to a decline in ridership, increased costs and higher rider subsidies. He noted that the MAX Board will meet on March 5, 2012 to discuss the future of the Municipal Area Express and the potential use of reserves to extend the service for one more year until June 30, 2013 and that the City must give formal notice to partnering cities by March 2, 2012 to preserve its right to withdraw.

Councilmember Numark expressed concerns that since Torrance serves as the lead agency for the MAX program, Torrance's withdrawal would effectively leave the program without a governing body/structure and asked about options for replacing the express bus service to El Segundo.

Transit Administration Manager Mills noted that Torrance is one of six agencies that are part of the MAX program, which includes the City of Los Angeles and Los Angeles County, so the program could conceivably continue without Torrance's involvement. He reported that Torrance Transit has lines that replicate the MAX service, but the commute time would be longer.

Councilmember Brewer reported that El Segundo and San Pedro have expressed an interest in working with other entities, such as the Air Force base whose employees utilize the MAX, to find a way to continue the service.

Mayor Scotto invited public comment.

J. K. Drummond, director of Southern California Transit Advocates, urged the Council to continue the City's participation in the MAX program at least until June 30, 2013, because the program is unlikely to continue if Torrance withdraws. He noted that the people who use this express bus service are commuters who would not otherwise ride buses and cited the benefits of reduced traffic, less pollution and improved health. He suggested the possibility of seeking funding from other jurisdictions, such as Proposition A funds that other cities cannot use.

Councilmember Sutherland expressed support for staff's recommendation to end the City's participation in the MAX program, noting that the City has been unable to give employees raises for two years and several positions remain unfilled due to budget cutbacks.

Councilmember Rhilinger reported that the MAX program was formed by a group of South Bay cities to help the aerospace industry and other companies in the area meet State requirements to reduce greenhouse gas emissions by forming carpools/vanpools and voiced her opinion that it was ultimately the responsibility of employers to come up with a plan for their employees. She suggested that it was understandable that MAX riders are opposed to ending this service because it is fast and convenient and some of them are fully subsidized by their employers, however, the City can no longer afford to subsidize the program now that the cost per passenger has increased to almost \$9.00 per ride, noting that the subsidy for Torrance Transit lines is approximately \$3.00 per ride.

Councilmember Brewer, a member of the MAX Board, explained that the MAX program has benefited Torrance residents, as well as residents in surrounding cities, for a number of years, but it has gotten prohibitively expensive due to the need to pay for replacement buses. He stated he will strongly recommend at the March 5 MAX Board meeting that reserves be used to fund the service for one more year at no expense to the participating cities so other agencies that have expressed an interest in continuing this service will have time to explore other options.

Mayor Scotto reported that he formerly served on the MAX Board for six years and has long believed that Torrance was paying a disproportionate share of the expense. He related his belief that direct bus service from the Fort McArthur Army base to the Air Force base in El Segundo should be retained because it provides service for people who have no other means of transportation.

MOTION: Councilmember Brewer moved to concur with the Transit Director recommendation. The motion was seconded by Councilmember Rhilinger and passed by a 6-1 vote, with Councilmember Numark dissenting.

12B. RESOLUTIONS RE EMPLOYEE ASSISTANCE PROGRAM FOR TPOA, TPCA AND SAFETY MANAGEMENT EMPLOYEES

Recommendation

Recommendation of the City Manager that City Council:

- 1) Adopt a Resolution pursuant to Memorandum of Understanding (MOU) amending Resolution No. 2011-53 setting forth hours, wages, and working conditions for employees represented by the Torrance Police Officers Association (TPOA) implementing Employee Assistance Program (EAP) and updating the benefits section of the MOU to comply with CALPERS audit finding requirements related to uniforms;

- 2) Adopt a Resolution pursuant to Memorandum of Understanding (MOU) amending Resolution No. 2011-52 setting forth hours, wages, and working conditions for employees represented by the Torrance Police Commanders Association (TPCA) implementing Employee Assistance Program (EAP) and updating the benefits section of the MOU to comply with CALPERS audit finding requirements related to uniforms; and
- 3) Adopt a Resolution amending Resolution No. 2011-65 setting forth hours, wages, and working conditions for Safety Management Employees implementing Employee Assistance Program (EAP).

Mark Stephenson, Torrance, requested clarification regarding the impact of this action on pension benefits, which was provided by staff.

MOTION: Councilmember Barnett moved to concur with the staff recommendation. The motion was seconded by Councilmember Rhilinger and passed by unanimous vote.

RESOLUTION NO. 2012-21

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE AMENDING RESOLUTION NO. 2011-53 SETTING FORTH CHANGES REGARDING THE HOURS, WAGES, AND WORKING CONDITIONS FOR EMPLOYEES REPRESENTED BY THE TORRANCE POLICE OFFICERS ASSOCIATION (TPOA)

MOTION: Councilmember Brewer moved to adopt Resolution No. 2012-21. The motion was seconded by Councilmember Sutherland and passed by unanimous vote.

RESOLUTION NO. 2012-22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE AMENDING RESOLUTION NO. 2011-52 SETTING FORTH CHANGES REGARDING THE HOURS, WAGES, AND WORKING CONDITIONS FOR EMPLOYEES REPRESENTED BY THE TORRANCE POLICE COMMANDERS ASSOCIATION (TPCA)

MOTION: Councilmember Brewer moved to adopt Resolution No. 2012-22. The motion was seconded by Councilmember Sutherland and passed by unanimous vote.

RESOLUTION NO. 2012-23

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE AMENDING RESOLUTION NO. 2011-65 SETTING FORTH CHANGES REGARDING THE HOURS, WAGES, AND WORKING CONDITIONS FOR SAFETY MANAGEMENT EMPLOYEES

MOTION: Councilmember Brewer moved to adopt Resolution No. 2012-23. The motion was seconded by Councilmember Sutherland and passed by unanimous vote.

12C. SUBORDINATION OF LIEN RE 22730 EVALYN AVENUE

Recommendation

Recommendation of the City Manager that City Council consider a request from Jeff and April Cherness to subordinate a City of Torrance lien in the amount of \$11,200 on property located at 22730 Evalyn Avenue in Torrance for the purpose of refinancing their existing first trust deed loan.

Assistant to the City Manager Sunshine reported that it was discovered during the development of Seaside Heroes Park that several adjacent residential parcels encroached into City-owned land; that these property owners were allowed to purchase the encroached area at \$20 per square foot and were offered three options for payment and one of the options was placing a lien against the property for the amount owed to become due and payable when either of the following occur: 1) When any or all interests to the title to the subject property is voluntarily or involuntarily sold, transferred or conveyed to any person or entity; or 2) Upon the death of the last surviving signer of the note. He explained that the property owners at 22730 Evalyn selected this option; that they now wish to refinance the property, which renders the lien due and payable; and that the owners have requested that the City subordinate the loan so they can refinance the property without paying off the lien.

Jeff Cherness, owner of 22730 Evalyn Avenue, stated that when he agreed to the lien, it was his understanding that it would become due and payable when he sold the property and was surprised when he recently learned that the lien was preventing final approval of the loan to refinance his home. He explained that he cannot afford to pay the \$11,200 lien and adding it to the loan balance would trigger an increase in the interest rate, raising his payments to the point that the loan would no longer be feasible, therefore he cannot go forward with refinancing his home unless the Council agrees to subordinate the loan to the new first trust deed. He emphasized that the lien will still be paid when the property is sold.

Responding to Councilmember Rhilinger's inquiry, Mr. Cherness confirmed that he was not taking any cash out of the property and was just refinancing the existing loan to lower his payments.

Councilmember Sutherland indicated that he was not inclined to subordinate the loan and asked if the Council would be setting a precedent by approving it.

City Attorney Fellows advised that the Council would not be legally obligated to approve the subordination of liens like this in the future, but there would be pressure for the Council to be consistent.

Councilmember Numark asked about City's intention when creating this option for property owners.

Assistant to the City Manager Sunshine reported that the general intent of the lien was to allow the property owners to defer payment of the loan until the sale of the property, however, legal staff has interpreted refinancing to be a "conveyance" of the property, which renders the loan due and payable.

City Attorney Fellows stated that if he had been actively involved in negotiations with the property owners, he would have made clear that any conveyance would trigger the payment of the lien.

Councilmember Furey questioned how many of the property owners took the lien option, and Assistant to the City Manager Sunshine reported that most of the owners selected this option, but he did not have the exact number.

Councilmember Sutherland suggested the possibility of allowing Mr. Cherness to make monthly payments on the loan in accordance with the terms originally offered as one of the options, and Mr. Cherness indicated that he was willing to consider this.

Assistant to the City Manager Sunshine advised that another lien would have to be created if Mr. Cherness decides to make payments and he doubted that it could be done by March 5, when the lock on the percentage rate for Mr. Cherness's loan expires.

Councilmember Furey suggested allowing the lien to be subordinated one time, adding a condition that any future refinancing will trigger payment of the lien.

City Attorney Fellows advised that it would not be possible to modify the lien to accomplish this before the loan lock expires.

Councilmember Rhilinger suggested that the City send a letter to other property owners with liens notifying them that refinancing is considered a "conveyance" in order to avoid this problem in the future.

Mayor Scotto stated that he believed the intent of offering the option of the lien was to allow property owners to delay paying off the loan until they sold the property, therefore he was in favor of subordinating the loan to the new first trust deed.

MOTION: Councilmember Rhilinger moved to approve the subordination of the loan to the first trust deed and to authorize the Mayor to execute and the City Clerk to attest to the agreement. The motion was seconded by Councilmember Brewer and was approved by a 6-1 vote, with Councilmember Sutherland dissenting.

City Attorney Fellows requested that the motion be amended.

MOTION: Councilmember Rhilinger moved to amend the motion to include that the subordination document to be approved as to form by the City Attorney. The motion was seconded by Councilmember Brewer and passed by a 6-1 roll vote, with Councilmember Sutherland dissenting.

12D. ORDINANCE GRANTING PIPELINE FRANCHISE

Recommendation

Recommendation of the City Manager that City Council:

- 1) Adopt an Ordinance granting CHEVRON U.S.A. Inc., a Pennsylvania Corporation, a new Franchise for an existing pipeline for expired Franchise Ordinance No. 2533 to construct, lay, operate, test, maintain, use, renew, repair, replace, move, change the size and number of, and remove or abandon in place a system of pipelines and appurtenances, for the purpose of conducting, transporting, conveying and carrying gas, oil, petroleum products and water, on, along, in, under and across public streets, ways, alleys and places within the City of Torrance; and
- 2) Approve an ordinance summary for publication.

Assistant to the City Manager Sunshine reported that the proposed Ordinance replaces an expired Franchise Ordinance and it includes the rate structure set by the City of Carson, which is recognized by local pipeline companies as acceptable in the industry.

MOTION: Councilmember Barnett moved to concur with the staff recommendation. The motion was seconded by Councilmember Rhilinger and passed by unanimous vote.

ORDINANCE NO. 3755

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TORRANCE GRANTING CHEVRON U.S.A. INC., A PENNSYLVANIA CORPORATION, A NEW FRANCHISE FOR AN EXISTING PIPELINE FOR EXPIRED FRANCHISE ORDINANCE NO. 2533 TO CONSTRUCT, LAY, OPERATE, TEST, MAINTAIN, USE, RENEW, REPAIR, REPLACE, MOVE, CHANGE THE SIZE AND NUMBER OF, AND REMOVE OR ABANDON IN PLACE A SYSTEM OF PIPELINES AND APPURTENANCES, FOR THE PURPOSE OF CONDUCTING, TRANSPORTING, CONVEYING AND CARRYING GAS, OIL, PETROLEUM PRODUCTS AND WATER, ON, ALONG, IN, UNDER AND ACROSS PUBLIC STREETS, WAYS, ALLEYS AND PLACES WITHIN THE CITY OF TORRANCE

MOTION: Councilmember Brewer moved to adopt Ordinance No. 3755. The motion was seconded by Councilmember Sutherland and passed by unanimous vote.

12E. RESOLUTION FORMALIZING CITY POLICY CONCERNING PAYMENT OF PREVAILING WAGES

Recommendation

Recommendation of the City Manager that City Council adopt a Resolution formalizing City policy not requiring payment of prevailing wages on the public works project for the construction of the Centennial Plaza and maintenance and beautification of the Torrance Bridge.

Assistant to the City Attorney Chaparyan noted that this item was being brought forward at Mayor Scotto's request to formalize the City's existing policy.

Councilmember Furey stated that he saw no need to adopt a resolution that sets forth the City's existing policy since Torrance, as a charter city, is not required to pay prevailing wages for projects that use only City or private funds. He related his belief that requiring the payment of prevailing wages protects cities from unnecessary costs over the lifetime of a project because research has shown that jobs that do not pay prevailing wages tend to attract lower-skilled, out-of-the-area workers who require more supervision and their work often needs additional review and repair. He reported that there is a pending California Supreme Court case involving the City of Vista on the issue of whether or not charter cities are required to pay prevailing wages, which he believes is another reason not to formalize the existing policy. He questioned whether consideration has been given to using City staff for these projects, recalling from his experience on the Civil Service Commission that the City has several employees who are well-qualified to perform this work.

City Manager Jackson advised that using City staff for the Centennial Plaza project would require a significant reallocation of the workforce and diminish the City's ability to maintain operations elsewhere and that the Torrance Bridge improvements were beyond the capabilities of City staff.

Councilmember Furey expressed concerns about using a contractor who does not pay prevailing wages on a project as important as the Torrance Bridge improvements.

Councilmember Sutherland disputed Councilmember Furey's contention that contractors who do not pay prevailing wages use unskilled labor who do substandard work. Noting that he is a painting contractor, he clarified that prevailing wages are set by the union and is also known as union scale. He reported that he has done both union and non-

union projects and there was no difference in the quality of the work, only in the price, which is considerably more for union projects due to the payment of prevailing wages.

Councilmember Furey reiterated his position that there was no need to adopt a resolution formalizing a policy that has been in place for some time and that doing so could potentially expose the City to litigation due to the pending California Supreme Court case.

Mayor Scotto explained that the resolution was brought forward because these two projects are public works projects, which typically require the payment of prevailing wages because almost all are state or federally funded, therefore Public Works staff requested that the City's policy be formalized.

Councilmember Numark noted that the text of the resolution clearly states that it only applies to the two projects specifically listed, the Centennial Plaza and the beautification of the Torrance Bridge, and it is not a broad statement of policy.

MOTION: Councilmember Rhilinger moved to concur with the staff recommendation. The motion was seconded by Councilmember Barnett and passed by a 5-2 vote, with Councilmembers Furey and Numark dissenting.

RESOLUTION NO. 2012-24

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE FORMALIZING CITY POLICY NOT REQUIRING PAYMENT OF PREVAILING WAGES ON THE PUBLIC WORKS PROJECTS FOR THE CONSTRUCTION OF CENTENNIAL PLAZA, FEAP #739, AND MAINTENANCE AND BEAUTIFICATION OF THE PACIFIC ELECTRIC RAILROAD BRIDGE (AKA TORRANCE BRIDGE), I-125

MOTION: Councilmember Brewer moved to adopt Resolution No. 2012-24. The motion was seconded by Councilmember Sutherland and passed by a 5-2 vote, with Councilmembers Furey and Numark dissenting.

12F. PACIFIC COAST HIGHWAY AT HAWTHORNE BOULEVARD INTERSECTION IMPROVEMENTS PROJECT

Recommendation

Recommendation of the Public Works Director that City Council:

- 1) Approve the South Bay Measure R Highway program funding agreement (MOU.MR312.10) to be executed with Los Angeles County Metropolitan Transportation Authority ("LACMTA");
- 2) Approve the Measure R project P-51, Pacific Coast Highway at Hawthorne Boulevard Intersection Improvements Project, as a new project in the City's current Capital budget; and
- 3) Upon approval of funding agreement with a total amount of \$6,200,000, appropriate Measure R funding to said project in the amounts of:
 - \$1,300,000 in Fiscal Year 2011-2012;
 - \$300,000 in Fiscal Year 2013-2014; and
 - \$4,600,000 in Fiscal Year 2014-2015.

Transportation Planning Manager Semaan reported that staff will initiate the design phase of the project with the approval of these agreements.

MOTION: Councilmember Barnett moved to concur with the staff recommendation. The motion was seconded by Councilmember Rhilinger and passed by unanimous vote.

15.1 OTHER – SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE

15.1A. APPROVAL OF DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Recommendation

Recommendation of the Community Development Director that City Council, acting as the Successor Agency to the former Redevelopment Agency of the City of Torrance, approve the draft Recognized Obligation Payment Schedule (ROPS) in accordance with ABX1-26.

Planning Associate Martos reported that as the Successor Agency, the City of Torrance is responsible for retiring all debts and obligations of the Torrance Redevelopment Agency and the Recognized Obligation Payment Schedule lists these payments for the six-month period January through June 2012 in accordance with ABX1-26.

Charles Deemer, Torrance, requested clarification regarding the City's role as successor agency, which was provided by staff.

MOTION: Councilmember Barnett moved to concur with the staff recommendation. The motion was seconded by Councilmember Rhilinger and passed by unanimous vote.

17. ORAL COMMUNICATIONS #2

17A. Councilmember Barnett congratulated all who participated in the "Dancing with the South Bay Stars" event.

17B. Councilmember Brewer announced that the Torrance Education Foundation's annual "Celebrate Education" dinner will include the raffle of a 2012 Lexus hybrid donated by Toyota Motor Sales and raffle tickets are available for \$30, \$20 of which goes directly to the school or school organization specified, with additional information available at www.torranceeducationfoundation.org.

17C. Councilmember Brewer wished good luck to the South High Spartans Boys Basketball Team as they progress to the finals in the basketball tournament on Thursday.

17D. Councilmember Furey announced that the Torrance Education Foundation's annual "Celebrate Education" dinner will be held on March 23, which will include a performance by comedian Debi Gutierrez, known as the "Mommy Comic," and tickets can be purchased online at www.torranceeducationfoundation.org or by calling 310.972.6418.

17E. Councilmember Furey announced that the City will be holding its first "Cherry Blossom Festival," a free cultural festival, at Columbia Park on Sunday, March 4, from 11:00 a.m. to 3:00 p.m.

17F. Councilmember Numark, with the concurrence of Council, requested that staff look into concerns that were brought to his attention by representatives of the Torrance Performing Arts Consortium regarding the use and administration of Cultural Arts Center facilities.

17G. Mayor Scotto congratulated the West High academic decathlon team on winning the Los Angeles County Academic Decathlon.

17H. Mayor Scotto offered a reminder that the deadline to purchase commemorative bricks for the Centennial Plaza is May 1, 2012.

17I. City Manager Jackson thanked Assistant City Manager Giordano for her efforts in putting together the workshop on the Del Amo Fashion Center held earlier in the evening.

18. EXECUTIVE SESSION

At 9:45 p.m., the City Council immediately to closed session to confer with the City Manager and City Attorney on agenda matters listed under 18A) Conference with Legal Counsel – Existing Litigation, and 18B) Conference with Legal Counsel – Anticipated Litigation, pursuant to California Government Code §54956.9(a) and 54956.9(c)

The City Council reconvened at 9:52 p.m. with all members present. No formal action was taken on any matter considered in closed session.

19. ADJOURNMENT

At 9:53 p.m., the Council adjourned to Tuesday, March 6, 2012 at 6:00 p.m. for an executive session, with the regular meeting commencing at 7:00 p.m. in the Council Chamber.

The City Council Transportation Committee will meet at 4:30 p.m. in the West Annex Commission Room for the presentation of the Final Master Plan Report and Design Alternatives for the Torrance Transit Park & Ride Regional Terminal Project.

***Adjourned in Memory of
Cherryl Liddle and Sandy Raysik***

Attest:	<u>/s/ Frank Scotto</u> Mayor of the City of Torrance
<u>/s/ Sue Herbers</u> Sue Herbers, CMC City Clerk of the City of Torrance	Approved on March 27, 2012